

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Application By Verizon New Jersey For)	
Authorization Under Section 271 of the)	CC Docket No. 01-347
Telecommunications Act of 1996 to Provide)	
In-Region, InterLATA Services in New)	
Jersey)	

COMMENTS OF THE ALLIANCE FOR PUBLIC TECHNOLOGY

The Alliance for Public Technology has consistently urged the Federal Communications Commission (FCC) to pursue the goal of Section 706 of the Telecommunications Act of 1996¹ in every relevant proceeding by encouraging the reasonable and timely deployment of advanced telecommunications capability to all Americans.² Section 706 authorizes the FCC and state telecommunications commissions to use "measures that promote competition in the local telecommunications market or other regulating methods to remove barriers to infrastructure investment," among other means, to achieve the goal of ubiquitous broadband deployment mandated by the Act.

The Alliance for Public Technology (APT) is a nonprofit organization of public interest groups and individuals. APT's members work together to foster broad access to affordable, usable information and communications services and technology for the purpose of bringing better and more affordable health care to all citizens, expanding educational opportunities for

¹ 47 USC 157 note.

² See, e.g., Petition of the Alliance for Public Technology Requesting Issuance of Notice of Inquiry and Notice of Proposed Rulemaking to Implement section 706 of the 1996 Telecommunications Act, CC Docket No. 9244 (Feb. 18, 1998) (APT Petition) at 12-13.

lifelong learning, enabling people with disabilities to function in ways they otherwise could not, creating opportunities for jobs and economic advancement, making government more responsive to all citizens and simplifying access to communications technology. To this end, it is APT's goal to:

make available as far as possible, to all people of the United States, regardless of race, color, national origin, income, residence in rural or urban area, or disability high capacity two-way communications networks capable of enabling users to originate and receive affordable and accessible high quality voice, data, graphics, video and other types of telecommunications services.³

As we have previously stated, the Alliance is not in a position to judge the compliance of any one company with respect to the 14-point checklist of requirements under Section 271. We do note, however, that the New Jersey Board of Public Utilities (BPU) has unanimously approved Verizon's application and concluded that the company is in compliance with the checklist items in Section 271. According to the New Jersey BPU, Verizon had interconnection agreements with 76 different CLEC's and resale agreements with 80 CLEC's (some have both interconnection and resale agreement).⁴ Further, Verizon's self-executing Incentive plan, which is based in part on the SBC plan for Texas, protects against backsliding by putting an unlimited amount in penalties in at risk annually for noncompliance. The standards have recently been applied to Verizon's electronic billing system, used to bill competitors for use of the network. Verizon must pay penalties to competitors for every violation.⁵

³ Alliance For Public Technology, *Principles to Implement the Goal of Advanced Service* at 3 (1995).

⁴ New Jersey Board of Public Utilities "Approved Resale Agreements with Verizon" & "Approved Interconnection Agreements with Verizon", 6/30/01 www.state.nj.us/bpu

⁵ New Jersey Board of Public Utilities Press Release, "Board Okays Verizon Request to Enter Long Distance Market" January 9, 2002.

More importantly, Verizon has demonstrated a commitment to increased investment in advanced telecommunications capabilities. According to the company, Verizon invested more than \$1 billion in its New Jersey network in 2001. It added more than 100,000 miles of fiber optic cable in 2001 now has a total of 1.5 million miles of fiber in New Jersey.⁶ Authorization to provide in-region long distance service in New Jersey will facilitate Verizon's capacity to build on economies of scale and scope in order to provide a high standard of service and accelerated deployment of advanced technologies to the consumers of New Jersey.

In APT's view, Section 271's interLATA prohibitions constrain the widespread deployment of advanced telecommunications infrastructure and therefore undermine Section 706, which seeks to promote investment in ubiquitous high-speed networks. APT maintains the belief that expeditious approval under Section 271 serves the public interest. Such action would advance the goals of Section 706, and reaffirm the Commission's commitment to eliminating regulatory barriers to investment in high-capacity networks.⁷

The Commission again has the opportunity to bolster Section 706's impact by authorizing Verizon to provide long distance telephone service in New Jersey. APT strongly urges the Commission to seize this opportunity to increase facilities-based competition for local and long distance service, and promote ubiquitous broadband network deployment so that New Jersey residents, regardless of their income level, location of residence, or physical disabilities, may improve the quality of their lives through access to new sophisticated telecommunications.

⁶ Verizon Press Release, "Verizon Investment in New Jersey Communications Network Tops \$1 Billion This Year" December 26, 2001 <http://newscenter.verizon.com/proactive/newsroom/release.vtml?id=68234>

⁷ Comments of the Alliance for Public Technology Supporting Bell Atlantic's Request for Authority to Provide Long Distance Service in New York, In the Matter of Application by New York Telephone Company (d/b/a Bell Atlantic-New York) Bell Atlantic Communications, Inc., NYNEX Long Distance Company and Bell Atlantic Global Networks, Inc., for Authorization to Provide In-Region , InterLATA Services in New York, CC Docket No. 99-295 (Oct. 19, 1999))(APT NY Comments) at 2.

APT has every reason to believe that New Jersey customers, particularly low volume users, will reap the same gains from lower prices and bundled services that New York, Massachusetts, Pennsylvania, Connecticut, Texas, Missouri, Arkansas, Kansas and Oklahoma residents are experiencing with RBOC entry into those long distance markets. According to a Telecommunications Research and Action Center (TRAC) study, New Jersey consumers could save between \$22 million and \$167 million annually on long distance costs one year after increased competition.⁸ Another TRAC study showed six months after Verizon's entry in New York, there was a Verizon long distance calling plan that was less expensive than any AT&T, WorldCom, or Sprint national plan for all long distance customers with typical calling patterns, except those who make a very large number of calls per month.⁹ In anticipation of and in response to SBC's entry into the Texas, Kansas and Oklahoma long-distance markets, incumbent long-distance carriers AT&T, WorldCom, and Sprint began to offer discounts on their regular long-distance plans to customers who also signed up for local service. These discounts are in the form of bundled long-distance monthly fees with local service charges and credits for signing up for a local/long-distance bundle.¹⁰

⁸ See Telecommunications Research & Action Center, Projecting Residential Savings in New Jersey's Telephone Market, December 13, 2001

⁹ See Telecommunications Research & Action Center, A Study of Telephone Competition in New York, Sept. 6, 2000.

¹⁰ AT&T bundles residential local and long-distance service with a plan called "AT&T Local One Rate Texas." See <http://www.att.com/local_service/tx/html/index.html> (visited Oct. 9, 2000); see also J.G. Smith/Johnson Joint Aff. ¶ 43 (AT&T offers this local one rate only in Texas and New York, the two "states in which the incumbent Bell Operating Company has been given access to AT&T's long distance marketplace"). New York was the first state, followed by Texas, where MCI WorldCom started offering its bundled local and long-distance service referred to as "One Company Advantage." See David DeKok, Competitor Calls on Verizon's Mid-State Clients, Harrisburg Patriot-News, Sept. 14, 2000; Bill Sulon, Telephone Companies Prepare for Battle, Harrisburg Patriot-News, Aug. 27, 2000; see J.G. Smith/Johnson Joint Aff. ¶ 46. And Sprint currently bundles residential local and long-distance service for Texans in five different configurations. See Sprint Local Service – Texas, available at <<https://clec.sprint.com/servlet?CLEC?PAGE+TOCOMPARE&MKT=0003?>> (visited Oct. 9, 2000); see J.G. Smith/Johnson Joint Aff. ¶ 45.

As Verizon deploys its broadband networks, APT encourages the Commission to do all that it can to remove the barriers that inhibit the widest possible extension of these networks. Universal deployment will help all consumers, in New Jersey and throughout the United States, to enjoy the benefits of advanced telecommunications capability.

APT respectfully recommends that the Commission authorize Verizon to provide long distance service in New Jersey.

Respectfully requested,

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